

TOWN OF CRESTON

BYLAW NO. 1856

A bylaw to establish a Five Year Financial Plan.

WHEREAS a municipality must have a Five Year Financial Plan that is adopted annually by bylaw;

NOW THEREFORE the Council of the Town of Creston, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as "Five Year Financial Plan (2017 - 2021) Bylaw No. 1856, 2017".
2. The Five Year Financial Plan (2017 - 2021) is attached to and forms a part of this Bylaw, as Schedule "A".
3. This bylaw shall come into full force and effect upon adoption.

READ A FIRST TIME by title and SECOND TIME by content this 11th day of April, 2017.

READ A THIRD TIME by title this 11th day of April, 2017.

ADOPTED this 25th day of April, 2017.

"Ron Toyota"
Mayor Ron Toyota

"Bev Caldwell"
Bev Caldwell, Corporate Officer

Schedule "A" to Bylaw No. 1856

SCHEDULE "A" TO BYLAW NO. 1856		TOWN OF CRESTON					
FIVE YEAR CONSOLIDATED FINANCIAL PLAN							
		2017	2018	2019	2020	2021	TOTALS
REVENUES							
PROPERTY TAXES		\$ 4,106,863	\$ 4,335,000	\$ 4,689,000	\$ 4,826,000	\$ 5,041,000	\$ 22,997,863
OTHER TAXES AND ASSESSMENTS		931,927	936,200	940,700	944,700	949,700	4,703,227
FEES AND CHARGES		3,525,791	3,525,173	3,545,579	3,679,235	3,719,157	17,994,935
OTHER SOURCES		1,659,915	1,405,850	1,362,604	1,350,294	1,341,020	7,119,683
CAPITAL GRANTS		668,633	2,449,000	706,000	375,000	230,000	4,428,633
TOTAL REVENUES		10,893,129	12,651,223	11,243,883	11,175,229	11,280,877	57,244,341
EXPENDITURES							
MUNICIPAL PURPOSES		8,341,272	7,876,636	7,997,703	8,217,843	8,333,990	40,767,444
INTEREST ON DEBT		361,571	435,214	465,039	471,082	487,001	2,219,907
AMORTIZATION		2,116,015	2,194,865	2,459,186	2,557,286	2,614,069	11,941,421
TOTAL EXPENDITURES		10,818,858	10,506,715	10,921,928	11,246,211	11,435,060	54,928,772
SURPLUS (DEFICIT) FOR THE YEAR		74,271	2,144,508	321,955	(70,982)	(154,183)	2,315,569
CAPITAL DEBT AND RESERVE TRANSFERS							
CAPITAL EXPENDITURES		(2,277,730)	(9,836,500)	(1,632,500)	(1,703,500)	(1,543,000)	(16,993,230)
PORTION OF AMORTIZATION EXPENSE UNFUNDED		2,116,015	2,194,865	2,459,186	2,557,286	2,614,069	11,941,421
BORROWING		-	5,400,000	-	500,000	500,000	6,400,000
PRINCIPAL ON DEBT		(329,877)	(331,235)	(460,148)	(461,606)	(474,209)	(2,057,075)
TRANSFERS FROM :							
RESERVE FUNDS		337,641	693,560	398,560	265,560	366,560	2,061,881
ACCUMULATED SURPLUS		969,128	460,517	5,476	-	-	1,435,121
TRANSFERS TO:							
ACCUMULATED SURPLUS		(206,218)	(14,715)	(359,529)	(327,758)	(522,237)	(1,430,457)
RESERVE FUNDS		(683,230)	(711,000)	(733,000)	(759,000)	(787,000)	(3,673,230)
NET CAPITAL DEBT AND RESERVE TRANSFERS		(74,271)	(2,144,508)	(321,955)	70,982	154,183	(2,315,569)
Surplus (deficit) plus Capital, Debt and Reserve Transfers		0	0	0	0	0	0

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TOWN OF CRESTON

FIVE YEAR FINANCIAL PLAN

GENERAL FUND

	2017	2018	2019	2020	2021	TOTALS
REVENUES						
PROPERTY TAXES	4,106,863	4,335,000	4,689,000	4,826,000	5,041,000	22,997,863
OTHER TAXES & ASSESSMENTS	116,227	119,000	122,000	124,000	127,000	608,227
FEES & CHARGES	778,823	811,541	836,824	857,573	865,769	4,150,530
OTHER SOURCES	1,926,915	1,678,850	1,640,604	1,630,294	1,623,020	8,499,683
GAS TAX AND DEVELOPMENT COST CHARGES	252,678	374,000	122,000	375,000	130,000	1,253,678
CAPITAL GRANTS	65,955	632,000	584,000	-	100,000	1,381,955
TOTAL REVENUES	7,247,461	7,950,391	7,994,428	7,812,867	7,886,789	38,891,936
EXPENDITURES						
OTHER MUNICIPAL PURPOSES	6,197,425	5,729,934	5,844,628	5,960,658	6,079,561	29,812,206
INTEREST ON DEBT	298,489	373,489	404,719	412,219	429,648	1,918,564
AMORTIZATION	1,358,171	1,421,598	1,612,286	1,699,653	1,743,436	7,835,144
TOTAL EXPENDITURES	7,854,085	7,525,021	7,861,633	8,072,530	8,252,645	39,565,914
SURPLUS (DEFICIT) FOR THE YEAR	(606,624)	425,370	132,795	(259,663)	(365,856)	(673,978)
CAPITAL DEBT AND RESERVE TRANSFERS						
CAPITAL EXPENDITURES	(951,403)	(7,627,500)	(1,310,500)	(1,313,500)	(1,202,000)	(12,404,903)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	1,358,171	1,421,598	1,612,286	1,699,653	1,743,436	7,835,144
BORROWING	-	5,400,000	-	500,000	500,000	6,400,000
PRINCIPAL ON DEBT	(218,108)	(218,108)	(345,617)	(345,617)	(356,710)	(1,484,160)
TRANSFERS FROM:						
RESERVE FUNDS	337,641	693,560	398,560	265,560	366,560	2,061,881
ACCUMULATED SURPLUS	523,553	376,080	5,476	-	-	905,109
TRANSFERS TO:						
ACCUMULATED SURPLUS	-	-	-	(27,433)	(138,430)	(165,863)
RESERVE FUNDS	(443,230)	(471,000)	(493,000)	(519,000)	(547,000)	(2,473,230)
NET CAPITAL DEBT AND RESERVE TRANSFERS	606,624	(425,370)	(132,795)	259,663	365,856	673,978
Surplus (deficit) plus Capital, Debt and Reserve Trans	-	-	-	-	-	-

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TOWN OF CRESTON

FIVE YEAR FINANCIAL PLAN

WATER FUND

	2017	2018	2019	2020	2021	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	387,000	388,000	389,000	390,000	391,000	1,945,000
FEES & CHARGES	1,183,290	1,210,083	1,240,203	1,267,938	1,299,300	6,200,814
OTHER SOURCES	17,000	15,000	16,000	17,000	15,000	80,000
CAPITAL GRANTS	100,000	643,000	-	-	-	743,000
TOTAL REVENUES	1,687,290	2,256,083	1,645,203	1,674,938	1,705,300	8,968,814
<u>EXPENDITURES</u>						
INTEREST ON DEBT	-	-	-	-	-	-
OTHER MUNICIPAL PURPOSES	555,072	569,425	580,059	587,846	598,791	2,891,193
ARROW CREEK WATER CONTRIBUTIONS	650,000	625,000	660,000	675,000	700,000	3,310,000
AMORTIZATION	220,763	201,175	237,108	241,408	248,075	1,148,529
TOTAL EXPENDITURES	1,425,835	1,395,600	1,477,167	1,504,254	1,546,866	7,349,722
SURPLUS (DEFICIT) FOR THE YEAR	261,455	860,483	168,036	170,684	158,434	1,619,092
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(276,000)	(1,078,000)	(129,000)	(200,000)	(146,000)	(1,829,000)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	220,763	201,175	237,108	241,408	248,075	1,148,529
BORROWING	-	-	-	-	-	-
PRINCIPAL ON DEBT	-	-	-	-	-	-
TRANSFERS FROM:						
ACCUMULATED SURPLUS	-	16,342	-	-	-	16,342
DEVELOPMENT COST CHARGE FUNDS	-	-	-	-	-	-
DISTRICT WATER RESERVE	-	-	-	-	-	-
TRANSFERS TO:						
ACCUMULATED SURPLUS	(206,218)	-	(276,144)	(212,092)	(260,509)	(954,963)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(261,455)	(860,483)	(168,036)	(170,684)	(158,434)	(1,619,092)
Surplus (deficit) plus Capital, Debt and Reserve Trans	-	-	-	-	-	-

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TOWN OF CRESTON

FIVE YEAR FINANCIAL PLAN

SEWER FUND

	2017	2018	2019	2020	2021	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	428,700	429,200	429,700	430,700	431,700	1,718,300
FEES & CHARGES	1,563,678	1,503,549	1,468,552	1,553,724	1,554,088	6,089,503
OTHER SOURCES	16,000	12,000	6,000	3,000	3,000	37,000
CAPITAL GRANTS	250,000	800,000	-	-	-	1,050,000
TOTAL REVENUES	2,258,378	2,744,749	1,904,252	1,987,424	1,988,788	8,894,803
<u>EXPENDITURES</u>						
INTEREST ON DEBT	63,082	61,725	60,320	58,863	57,353	243,990
OTHER MUNICIPAL PURPOSES	1,238,775	1,252,277	1,213,016	1,294,339	1,255,638	4,998,407
AMORTIZATION	537,081	572,092	609,792	616,225	622,558	2,335,190
TOTAL EXPENDITURES	1,838,938	1,886,094	1,883,128	1,969,427	1,935,549	7,577,587
SURPLUS (DEFICIT) FOR THE YEAR	419,440	858,655	21,124	17,997	53,239	1,317,216
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(1,050,327)	(1,131,000)	(193,000)	(190,000)	(195,000)	(2,564,327)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	537,081	572,092	609,792	616,225	622,558	2,335,190
BORROWING	-	-	-	-	-	-
PRINCIPAL ON DEBT	(111,769)	(113,127)	(114,531)	(115,989)	(117,499)	(455,416)
TRANSFERS FROM:						
CAPITAL RESERVE	-	-	-	-	-	-
ACCUMULATED SURPLUS	445,575	68,095	-	-	-	513,670
TRANSFERS TO:						
CAPITAL RESERVE	-	-	-	-	-	-
SEPTAGE OPERATING RESERVE	-	(14,715)	(14,209)	(13,693)	(13,167)	(42,617)
ACCUMULATED SURPLUS	-	-	(69,176)	(74,540)	(110,131)	(143,716)
WWTP REPLACEMENT RESERVE	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)	(960,000)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(419,440)	(858,655)	(21,124)	(17,997)	(53,239)	(1,317,216)
Surplus (deficit) plus Capital, Debt and Reserve Trans	-	-	-	-	-	-

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2017 CAPITAL EXPENDITURE FINANCING							
GENERAL CAPITAL EXPENDITURES							
From operating and surplus				644,448			
From Infrastructure grants				157,000			
From reserves				119,000			
From non-government organizations				30,955			
				<u>951,403</u>			
WATER CAPITAL EXPENDITURES							
From operating and surplus				176,000			
From infrastructure grants				100,000			
				<u>276,000</u>			
SEWER CAPITAL EXPENDITURES							
From operating and surplus				604,770			
From capital contributions				195,557			
From infrastructure grants				250,000			
				<u>1,050,327</u>			
TOTAL CAPITAL							
				<u>2,277,730</u>			
TOWN OF CRESTON FINANCIAL OBJECTIVES AND POLICIES							
<p>The Town of Creston Financial Planning Guidelines reflects Council's direction to increase alternative revenue streams wherever possible to reduce reliance on property taxes in order to maintain existing programs and services. Council is also committed to having the sufficient funding available to insure that current infrastructure is proactively maintained thereby delaying much higher replacement costs as long as possible. In order to insure that funding is available for planned capital replacement and infrastructure renewal, Council policy is to have reserves funded for those purposes.</p>							
<p>The Financial Plan for 2016 shows property taxes is 37.7% of proposed funding sources identified in section 165(7) of the Community Charter. This is a normal amount and is slightly lower than 2015 (38%). With the requirement to pay for 70% of the RCMP costs since 2012, the reliance on taxation has increased.</p>							
<p>Council has considered the distribution of property taxes among the various property classes. It is Council's policy to adjust the mill rates such that the ratio of taxes paid by the various classes remains relatively constant from year to year taking into account new construction.</p>							
<p>Permissive tax exemptions approved by Council are a means of supporting organizations within the community that furthers Council's objectives of enhancing the quality of life and delivering services economically.</p>							
<p>As part of the Town of Creston's economic development strategy, Council may establish one or more revitalization tax exemption programs to encourage investment in the Town's existing commercial enterprises and the development of new commercial ventures, such as tourism related businesses, with the objectives of stimulating new economic growth and revitalization of existing commercial uses in the Town.</p>							